

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Develop an
Electricity Integrated Resource Planning
Framework and to Coordinate and Refine
Long-Term Procurement Planning
Requirements.

Rulemaking 16-02-007
(Filed February 19, 2016)

**COMMENTS OF THE UTILITY CONSUMERS' ACTION NETWORK (UCAN) ON
THE CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC) AND CALIFORNIA
ENERGY COMMISSION (CEC) JOINT STAFF DRAFT PROPOSAL FOR SENATE
BILL 350 DISADVANTAGED COMMUNITIES ADVISORY GROUP STRUCTURE
AND FRAMEWORK**

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I. INTRODUCTION

The Utility Consumers' Action Network (UCAN) submits the following comments in response to the *California Public Utilities Commission/California Energy Commission Joint Staff Draft Proposal Senate Bill 350 Disadvantaged Communities Advisory Group Structure and Framework* (Proposal) issued August 1, 2017. UCAN supports the efforts of the Joint Staff Proposal to coordinate the establishment of an advisory group consisting of representatives from disadvantaged communities as mandated by Senate Bill (SB) 350. UCAN believes the Proposal sets up the appropriate structure and framework to get the advisory group up and running. UCAN's following comments are based on some of the information and feedback provided at the Joint Agency Workshop on SB 350 Low-Income Barriers Study Implementation held on August 1, 2017, and the Energy Division Staff Workshop held on June 26, 2017, on Limited Integration of Energy Efficiency and Demand Response, both of which UCAN participated in remotely. The Proposal contains eleven questions related to the Proposal. UCAN answers some, but not all of the questions presented. UCAN has been involved in the IRP proceeding since May 2016 and provided Comments and Reply Comments on Disadvantaged Communities (DAC's) and Other Aspects of SB 350 in February 2017.

II. UCAN RESPONSES TO QUESTIONS RELATED TO THE CPUC AND CEC JOINT STAFF PROPOSAL

Question 1: In what ways should the Straw Proposal be modified to better align with the mandates of SB 350, including PU Code 400, PU Code 454.52(a)(1), PU Code 740.8 and PU Code 740.12(a)(1) and other mandates related to disadvantaged communities?

UCAN Response: No comment.

Question 2: Are there other ways in which the Disadvantaged Communities Advisory Group can provide advice to CPUC and CEC (e.g., informal written comments to the CPUC and CEC, providing reports to the CPUC and CEC, etc.)?

UCAN Response: Yes. One of the themes that came up repeatedly in the workshops attended by UCAN is the need for more research and data to inform the Commissions when deciding on policies and programs. The Advisory Group could be given authority to establish a sub-committee in charge of bringing in more research from already established research organizations informing the Commissions on the unique habits and patterns of DAC's. For instance, at the Energy Division Staff Workshop held on June 26, 2017, on Limited Integration of Energy Efficiency and Demand Response, UCAN learned of one incident where Occupant Controlled Smart Thermostats (OCST's) were installed in low-income houses and energy use went up which was contrary to the theory behind the thermostats. The results of this type of pilot program are very informative and can help guide decisions. However, this type of information needs to be coordinated somehow and not just attach or exist within one proceeding.

At another workshop (2017 IEPR Joint Agency Workshop on SB 350 Low-Income Barriers Study Implementation, August 1, 2017) UCAN learned that in Riverside/Imperial County a structural review of energy assistance programs found it

more efficient to invest in generation and energy efficiency for low-income users rather than subsidies. In that same workshop, a study done in New York found that \$1.00 invested in appliances and other end-use equipment saved \$4.00 in CARE subsidies. Again, this is the kind of research that needs to be gathered from and funneled through the Advisory Committee to the CPUC and CEC. One idea could be to establish a “DropBox” type application for the Advisory Group and then facilitate outreach communications to different proceedings that may have research and information regarding DAC’s.

Question 3: Are there specific programs and policy areas related to SB 350 which the Disadvantaged Communities Advisory Group should focus on? If so, please name.

UCAN Response: Yes. At the 2017 IEPR Joint Agency Workshop on SB 350 Low-Income Barriers Study Implementation, August 1, 2017, several speakers described the benefits of the following programs and policies:

- a. ***Asset Improvement:*** one speaker described that when given product information with energy coefficient savings, buyers made better choices. The Advisory Group could come up with ways to help disseminate information to better inform buyers in DA Communities.
- b. ***Behavioral Modifications:*** another speaker said that many buyers/users did not understand how to use products efficiently e.g. thinking computer was in sleep mode when in fact it was not. This presents an educational opportunity for the Advisory Group to explore.
- c. ***Investing in Generation and Energy Efficiency:*** As mentioned in Response to Question 2, the structural review performed in Riverside/Imperial County and the study in New York both determined that it was more effective to invest in generation and energy efficiency rather than subsidies. The Advisory Group could focus on this area specifically.

- d. ***Lifting Bottom of Market:*** a speaker at the workshop described the cost of appliances for low-income users as problematic. For example, there are no energy star appliances under \$500 yet over \$500 90% of appliances are energy star rated. Program money could be better used to incentivize a markdown on the more efficient models comparable to the baseline non-efficient models. The end result is to increase energy efficiency as opposed to subsidizing inefficient energy use. The Advisory Group could focus on this area and explore ideas to expand this concept.
- e. ***Climate Action Ambassadors:*** Another speaker from Fresno State University described reaching out to local middle schools as well as faith based organizations. These outreach efforts to educate and include local community members in learning about energy efficiency and behavioral changes produced great success. The Advisory Group could focus on this area and explore ideas to expand this concept.

Question 4: In light of Disadvantaged Communities Advisory Group’s responsibility to review SB 350 programs, are there additional areas of knowledge or expertise that should be sought in candidates beyond those described on page three?

UCAN Response: Please see answer to Question 5

Question 5: The Advisory Group may review technical information regarding proceedings and programs related to integrated resource planning, transportation electrification, and other clean energy technologies. Should prospective members be recruited who have an interest or background/experience in one or more of the following subject areas? Explain your response.

- a. Clean energy technologies, such as distributed generation, energy efficiency, renewables, etc.
- b. Transportation electrification;

- c. **Electric or Natural Gas resource planning;**
- d. **Local economics (including job training potential) with respect to clean energy development;**
- e. **Air quality and related health impacts**
- f. **Greenhouse gas and/or air pollutant controls from a technical policy perspective.**

UCAN Response: No. While knowledge of any of the above subject areas by prospective members would be helpful, UCAN does not see it as necessary in order to become a member of the Advisory Group. It is more important to find people with a deep knowledge and understanding of the behaviors, habits and beliefs of DAC populations. This would occur in people who grew up in these communities and are now living and working in these communities, particularly in jobs that assist community members. For example, a doctor serving and residing in a DA Community would have personal experience treating people affected by air quality and other health related impacts. Another example could be employees from a community assistance organization who disseminate Low-Income Home Energy Assistance Program (LIHEAP) monies. These people would have personal experience with the how's and why's of DAC members struggling to pay energy bills and this knowledge could help inform the Commissions. Other examples of prospective Advisory Group members are city councilmembers or any one on their staffs; any community group assisting low-income needs such as Feed America or Housing America. The idea is that prospective members can be informed of the above subject matters by Commission Staff and other experts. It is more important that prospective members have a deep knowledge and understanding of DAC members and that this knowledge flow back to the Commissions and Staff through the Advisory Group.

Question 6: Are there any other subject area backgrounds that the Commissions should seek out in prospective applicants?

UCAN Response: Please refer to answer for Question 5

Question 7: Should the Advisory Group charter assign specific roles to the eleven¹ member positions based on policy, issue or geographic areas, such as “air quality/health impact designee” or “transportation electrification designee”?

UCAN Response: No. The Charter should be as broad as possible with the exceptions of assigning leadership positions such as Chair and Secretary. The Proposal states the objectives of the Advisory Group pursuant to SB 350 as follows: *“The Advisory Group shall review and provide advice on programs proposed to achieve clean energy and pollution reduction and determine whether those proposed programs will be effective and useful in disadvantaged communities.”* A workshop could be held by Staff for the Advisory Group to explain and answer any questions about the proposed programs. Then, each Advisory Group member could review the specific programs proposed and provide feedback based on her or his intimate knowledge of DAC’s (see response to Question 5).

Question 8: Should any leadership positions be designated in the Group’s charter, other than Chair, and Secretary? Should the officers’ roles be assigned to particular specialties or represented particular communities, rather than be open to any interested members? Are there additional responsibilities desired for each position?

UCAN Response: At this time, UCAN does not see the need to assign leadership roles other than the Chair and Secretary. UCAN does not see the need for these officer roles to be assigned to any particular specialty or community. More important is to find people with DAC experience in addition to experience serving on a board or special skills working within a group. The Advisory Group could have the freedom to assign other leadership roles as it sees necessary.

¹ The eleventh member will be reserved for a Tribal representative

Question 9: If the CPUC and CEC cannot find willing candidates with the desired qualifications, how should they proceed to establish the Advisory Group?

UCAN Response: UCAN hopes this is not the case that the CPUC and CEC cannot find willing candidates. This is a great opportunity to provide feedback to policy makers at the highest levels from communities suffering under the ill effects of environmental pollution and other hazards. Perhaps the outreach effort for prospective members can be specific about the importance of this Advisory Group.

Question 10: How can the work of the Disadvantaged Communities Advisory Group and the Low Income Oversight Board (LIOB) be best coordinated?

UCAN Response: The Chairs of each committee could keep each other informed of meeting times as well as sending meeting notes to each member of both groups. The Chairs could also coordinate and schedule a joint meeting.

Question 11: How can the work of the Disadvantaged Communities Advisory Group and the Air Resources Board's Environmental Justice Advisory Committee be best coordinated?

UCAN Response: Please see Response to Question 10.

III. CONCLUSION

UCAN supports the initial framework and structure presented in the Proposal with the hope that some of the above suggestions and ideas will be taken into consideration.

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Respectfully submitted,

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